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October 31, 2012

The Honorable Paul A. Engelmayer
U.S. District Court for the Southern District of New York
Daniel Patrick Moynihan United States Courthouse
500 Pearl Street
New York, NY 10007-1312

Re: Starr Int'l Co. v. FRBNY, No. 11 Civ. 8422 (PAE)
Response to October 26, 2012 Order

Dear Judge Engelmayer:

I write in response to the Court's October 26, 2012 Order requesting an answer to the question first posed to the parties during our July 23, 2012 oral argument: "Is it in dispute that the board approved the terms" of the ML III transaction? Transcript ("Tr.") at 77; see also Tr. at 102 ("I'd like to understand whether the . . . AIG Board approved ML III.").

Mr. Boies first undertook to answer that question, stating that "If they will send me the board approval, I will send a letter accepting that." Tr. at 78. The Court later asked "all parties" to work together to answer this question and stated that "a document or a stipulation among the parties . . . will assist me." Tr. at 102.

I subsequently provided Starr and FRBNY redacted (to exclude irrelevant and privileged information) minutes of an AIG board meeting held on November 9, 2008. The minutes include a resolution approving ML III as stated in the resolution and in a term sheet attached as "Annex D," "with such amendments or changes thereto as any Authorized Officer may deem necessary, desirable, or appropriate."

Unfortunately, Starr and FRBNY could not agree on a stipulation describing the Board's action or its import with respect to the claims asserted in the action.

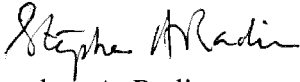
In response to the Court's October 26, 2012 Order, I respond on behalf of AIG that AIG's Board approved the ML III transaction as reflected in the minutes of the November 9, 2008 board meeting including Annex D, a copy of which is attached, redacted solely for privilege.

The Honorable Paul A. Engelmayer
October 31, 2012
Page 2

Weil, Gotshal & Manges LLP

The parties have not yet addressed confidentiality issues in this case, because discovery has not commenced. Pursuant to the Court's Individual Rule 1F, AIG asks that if the Court publicly docket this letter it not docket the attached minutes.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen A. Radin". The signature is fluid and cursive, with the first name "Stephen" and last name "Radin" clearly distinguishable.

Stephen A. Radin

cc: Joseph S. Allerhand (joseph.allerhand@weil.com)
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